
Collective Bargaining and Organizational Flexibility: Advantages and Disadvantages

Introduction

Collective bargaining and organizational flexibility has been a subject of considerable debate. In the face of global organization of production, trade liberalization, processes of economic restructuring and national legislative reform, it is imperative for every organization to roll out policies or programmes that seek to promote worker welfare. Studies have shown that workers give off their best output when the business environment is congenial. Rigidities in the labour market do not promote competitiveness because innovation thrives on a flexible and sound environment. Workers ability to strike a balance with management stimulates increased productivity. As such collective bargaining and organizational flexibility affect employee security. Akpan et al. (2016) noted that collective bargaining has numerous relevance to the employee, employer and the state. This essay therefore looks at how collective bargaining and organizational flexibility affects employee security. It is therefore crucial at this point to understand the term collective bargaining and organizational flexibility.

Collective Bargaining

According to the International Labour Organization ILO Convention No. 154, collective bargaining is defined as referring to: "all negotiations which take place between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more workers' organisations, on the other, for: (a) determining working conditions and terms of employment; and/or (b) regulating relations between employers and workers; and/or (c) regulating relations between employers or their organisations and a workers' organisation or workers' organisations." Also, the International Labour Organization policy guide (2015) views collective bargaining as a negotiation process. Negotiation involves any form of discussion, formal or informal, with a view to reaching an agreement. For collective bargaining to be effective, it is important that these negotiations be conducted in good faith. Bargaining in compliance with common decency or faith mirrors a goal to take part in valuable arrangements and make every effort to arrive at a negotiated agreement. Collective bargaining, if well conducted, remains the best method for finding some kind of harmony between increased productivity and the conservation of employees' interests. Additionally, the participatory idea of collective bargaining has the ability to motivate employees in the drive for more noteworthy flexibility (Ozaki, 2000, p. 3). There are three theories of collective bargaining. These are The Marketing Concept and the Agreement as a Contract, The Governmental Concept and the Agreement as Law and The Industrial Relations (managerial) Concept at Jointly Decided Directives.

Organizational Flexibility

Organizational flexibility can be characterized as an association adjusting to measure, creation, responsiveness, human asset, their sources of information and costs required to accomplish a corporation's objectives. It can likewise be characterized as when work completes, where it

completes and how work completes. In that, if an organization has flexibility in its working environment, employees engage in strategic scheduling, in this manner the representative is somehow able to pick the beginning of their day and the finish of their day, being in a situation to take off time during the day to take care of family issues, for instance a specialist being able to go each day to get their kids from school and take them home, taking a few vacation days so as to deal with family matters and not losing any leave days or pay, an employee working a portion of their day at home, and so' (UK Essays, 2018). The types of organizational flexibility include the following: Functional flexibility, Financial Flexibility, Procedural Flexibility, Skills Flexibility, Attitudinal Flexibility and Structural Flexibility.

The Effect on Employee's Security

Collective bargaining and organizational flexibility therefore have an effect on an employee's security. This ranges from job to income security. According to Watershed associates (2017), there are five collaborative stages of the negotiation process and these processes are crucial in building trust in an organization. As such strong relationship is developed between employees and management. Lombardo J (2017) also notes that companies make use of collective bargaining and organizational flexibility to curtail conflict. There is an open process for two parties to find an acceptable solution to a complicated conflict. The next paragraphs look vividly at how collective bargaining and organizational flexibility affect employee security.

First and foremost, it restricts management's freedom for arbitrary action against the employees. Unilateral actions by the employer are discouraged. Organizations that promote worker participation in management and are given a chance of representation at meetings very often have employees develop that sense of job security. They are immune against arbitrary laid off while pressing for reforms. This is based on the theory of industrial relations or behavioural theory of collective bargaining. In that, there is mutual understanding between management and employees on labour relations. Under this theory, collective bargaining agreements are a means of integrating union and management interests in a way that promotes the welfare of both parties.

Secondly, it helps in securing a prompt and fair settlement of grievances. It provides a flexible means for the adjustment of wages and employment conditions to economic and technological changes in the industry, as a result of which the chances for conflicts are reduced. According to Bu?i?nien? & Kazlauskait? (2012) there is a positive relationship between human resource management and organizational performance outcomes. In that, in businesses where better HRM policies or strategies are developed have a positive impact on organizational performance outcome since employees have a sense of job and income security. Since the channels of addressing grievances are open and flexible, a compromise is easily struck between management and workers.

Also, it increases the strength of the workforce, thereby, increasing their bargaining capacity as a group. It is worth noting that the ability of labour unions and management to agree on terms on employment relations stimulates togetherness at the work place. Every worker recognizes the impact his or her effort has on productivity. In the same vein, workers are rest assured that employers would not pay them below the minimum wage; hence, one's income is secured. As a group, workers are able to negotiate with management on their wages and salaries if they detect any anomaly. A growing number of analysts have examined the relationship between

income security and growth (Auer, 2001; Lee and Kuruvilla, 2001 and so on). Workers have been able to advocate for security measures. These security measures include minimum wage or living wage schemes, stakeholder pension plans, communal profit sharing, expanded social security systems and citizenship-based minimum income plans.

From the above arguments, it can be established that collective bargaining and organizational flexibility play a critical role in employee security. As there are three theories of collective bargaining, it is worth noting that the industrial relations theory or behavioural theory is the most appropriate for any workplace. This is because there is contractual or mutual agreement between employers and employees on the terms of employment. Workers are able to present their grievances to management in a sound manner without fear of losing one's job or having one's income withheld. Labour laws protect the rights of workers. Employers cannot exploit employees. Employees who enter collective bargaining know they have some degree of protection from employer retaliation or being let go from the job. If the employer were dealing with just a handful of individuals, he might be able to afford to lose them. When he is dealing with the entire workforce, however, operations are at risk and he no longer can easily turn a deaf ear to what his employees are saying.

The Demerits of Collective Bargaining and Organizational Flexibility

Even though collective bargaining and organizational flexibility impacts positively the employee's security, it has some demerits. Some scholars point out that these techniques are likely to limit the power of employers. Employees often see this as a good thing, but from the company's perspective, it can make even basic processes difficult. Since employees know the law backs them, they can pull the strings anytime. It can make it a challenge to deal with individual workers. The objective of the system is always to reach a collaborative agreement, but sometimes tensions boil over. In consequence, one or both parties might develop the urge to muscle the other side into giving up. Workers usually resort to strikes and demonstrations, which hurts operations and cuts into profits. Businesses might do this by staging lockouts, which prevents members' of the workforce from doing their jobs and getting paid, negatively effecting income and overall quality of living. In the long run, some employees might end up losing their jobs.